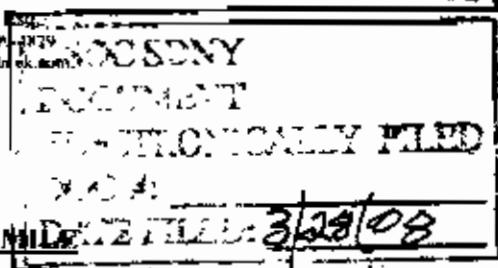


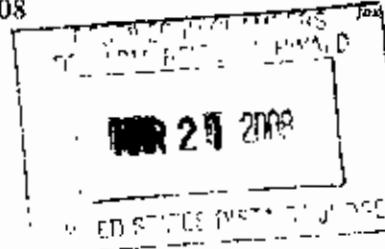


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The Honorable Naomi Reice Buchwald  
Daniel Patrick Moynihan United States Courthouse  
500 Pearl Street  
Room 2270  
New York, NY 10007

March 21, 2008



**RE: Capital Beverage Corp. v. Oak Beverages, Inc., et al. - No. 07 Civ. 6063 (NRB)**

Dear Judge Buchwald:

We represent Plaintiff Capital Beverage Corporation in the above matter. On behalf of all parties, we write to provide a brief update on the status of proceedings pending before the State of New York Department of Labor ("NYDOL") regarding the NYDOL's experience ratings assessment for Oak Beverages, Inc. ("Oak"), which concerns issues relevant to the pending proceeding before the Court.

We previously wrote on February 7, 2008 to inform the Court that the New York Unemployment Insurance Appeals Board had scheduled a hearing on Oak's experience ratings assessment for February 27 and, accordingly, to request an extension of then-pending discovery deadlines, which the Court granted on February 7. In the interim, the Court also scheduled both parties for mediation on April 10, 2008.

The administrative hearing took place on February 27, and the administrative law judge permitted additional briefing following the hearing. The briefing, which had not been anticipated in the parties' initial request for an extension, has now concluded, and the parties expect a decision by the administrative law judge on or before April 11, 2008.

In light of the anticipated decision, the parties would jointly and respectfully propose to the Court the following schedule, subject to the Court's consideration and approval: (1) that the April 10 mediation be rescheduled or postponed for 30 days, or until a date subsequent that is convenient for the Court's mediation bureau, and (2) that the present discovery schedule likewise be amended such that all written discovery and exchange of documents will be completed by May 2, 2008 and all deposition discovery will be completed by June 6, 2008.

*The proposed  
modification  
of the dis-  
covery schedule  
is acceptable*

*So ordered!*  
*Sam Rudnick*  
*3/27/08*



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Please let us know if this schedule is acceptable to the Court.

Respectfully submitted,

*Martin Siegel (ES)*

Martin S. Siegel

cc: Counsel of Record

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